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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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August 2, 2012

BY EMAIL

Honorable Richard J. Sullivan
United States District Court Judge
Southern District of New York
500 Pearl Street
New York, NY 10007

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Re: SEC v. Amerindo Investment Advisors, Inc., et al., 05-Civ.- 5231 (RJS)

Dear Judge Sullivan:

The staff of the Securities and Exchange Commission (“Commission”) submits this letter in response to (i) the proposal by investors Paul Marcus and Alfred Heitkonig for appointment of Mr. David Ross as receiver in this case, and (ii) the proposal by Ms. Vivian Shevitz to settle all of the pending criminal and civil proceedings involving Messrs. Vilar and Tanaka.

Although the Commission staff believes that Mr. Ross is well-qualified and has acquired knowledge of the assets to be administered, we believe that his prior paid representation of Mr. Tanaka in his criminal case and his work for Paul Marcus, an ATGF investor in this case, creates a potential conflict of interest that should be avoided if at all possible. The Commission staff’s primary concern is that Mr. Ross’s involvement in formulating a claims process to determine what is owed to investors and victims could undermine confidence in the process in light of his previous involvement in the case. The securities claimants in this case consist of Ms. Lily Cates and certain GFRDA victims identified in the criminal trial and who are listed in the restitution orders against Messrs. Vilar and Tanaka, as well as other GFRDA investors and ATGF and ATGFII investors. The Commission staff believes that the integrity of the process requires that a neutral receiver with no hint of conflict be appointed for this task. In the Commission staff’s view, any appointed receiver could consult with Mr. Ross (on a paid basis, if need be) to obtain the benefit of his accumulated knowledge of the receivership assets.

Ms. Shevitz has also made a settlement proposal on behalf of Messrs. Vilar and Tanaka. Although the Commission staff is willing to engage in good faith settlement negotiations, the staff does not believe that Ms. Shevitz’s proposal could form the basis of a realistic settlement. The proposal essentially seeks to release Messrs. Vilar and Tanaka of any personal pecuniary liability for their fraudulent conduct in exchange for allowing investors to share pro-rata in a pool of assets that already belongs to them – namely, the Amerindo client accounts. Ms. Shevitz also proposes that Messrs. Vilar and Tanaka be permitted to take all remaining assets including any personal interests they may have in the Amerindo Investment Advisors (UK) Ltd. Retirement Benefits Scheme, and that they be involved in determining investor and victim claims notwithstanding their fraud convictions. In the Commission staff’s view, Mr. Vilar’s and Mr. Tanaka’s personal

Honorable Richard J. Sullivan
August 2, 2012
Page 2

interests in the retirement scheme should be available to pay their personal judgments for restitution and forfeiture, and, in the event the Commission is successful in this case, to pay disgorgement and a penalty. Ms. Shevitz's proposal also ignores other potential claims against her clients. For example, a public records search reveals well over \$20 million in federal and state tax liens as well as several other large judgments against Mr. Vilar. Finally, Ms. Shevitz's proposal would require the consent of all other investors and the Government. In the Commission staff's view, any such proposal, which would require the consent of numerous constituents, would be best considered in the context of an orderly receivership, if at all.

Respectfully Submitted,



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